

# **APICS CPIM-MPR Exam**

**Volume: 105 Questions**

Question No : 1

Which of the following tradeoffs should be considered to improve the performance of a distribution network?

- A. Reduce cost but improve customer service by using full truckload or carload shipments
- B. Increase inventory turns but decrease costs by shipping more frequently
- C. Improve profit but decrease inventory by not scrapping obsolete product
- D. Improve fill rate but decrease inventory turns by adding safety stock

Answer: D

Question No : 2

In a make-to-order environment, if cumulative production exceeds cumulative demand, which of the following outcomes will result?

- A. Excess capacity will exist.
- B. Inventory will increase.
- C. The backlog will increase.
- D. The backlog will decrease.

Answer: D

Question No : 3

During which of the following process steps of sales and operations planning would resource planning be carried out?

- A. Demand planning phase
- B. Supply planning phase
- C. Pre-sales and operations planning meeting

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D. Executive sales and operations planning meeting

Answer: B

Question No : 4

An intensive distribution channel strategy would be most appropriate for which of the following types of product?

A. Special tools

B. Capital equipment

C. Designer clothing

D. Carbonated beverages

Answer: D

Question No : 5

Which of the following techniques typically uses the bills of material for master schedule items in determining the capacity required?

A. Advanced production scheduling (APS)

B. Bill of resources

C. Finite forward scheduling

D. Critical path method (CPM)

Answer: A

Question No : 6

The question below is based on the distribution center requirements shown below:

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	Parameter	Past Due	Period					
Product X			1	2	3	4	5	6
LT: 2 periods	Forecast		40	10	30	60	50	80
Lot size: 20	In transit		0	0	0	0	0	0
	Projected available balance	50	30	20	30	30		
SS: 20	Planned receipts		20	0	40	60		
	Planned orders		40	60				

How many units of product X should be planned to satisfy the demand for period 6?

- A. 100
- B. 80
- C. 60
- D. 40

Answer: B

Question No : 7

The primary objective of distribution network design is to balance total distribution cost with which of the following factors?

- A. Forecasted demand
- B. Manufacturing capacity
- C. Product availability
- D. Product costs

Answer: C

Question No : 8

Which of the following forecasting methods is most appropriate for projecting demand for a product family?

- A. Single exponential smoothing

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B. Simple average

C. Focus

D. Pyramid

Answer: D

Question No : 9

An outcome of top management's participation in sales and operations planning involves the:

A. delegation of trade-off resolutions to middle management.

B. investigation of detailed trade-offs by top management.

C. definition of trade-offs by top management.

D. resolution of broad trade-offs by top management.

Answer: D

Question No : 10

Which of the following costs is most likely to decrease when the number of warehouses in a distribution network increases?

A. Inventory costs

B. Packaging costs

C. Transportation costs

D. Handling costs

Answer: C

Question No : 11

A forecasting method that responds slowly to changes in demand would be most appropriate when the historical demand pattern shows a major:

A. seasonal component.

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- B. random component.
- C. trend component.
- D. cyclical component.

Answer: B

Question No : 12

The question below is based on the following information:

Beginning inventory 8 units  
Desired ending inventory 0 units  
Inventory carrying cost \$5/unit/period  
Stock out cost \$25/unit/period (stock outs shipped  
as soon as product is available)

Period	1	2	3	4
Forecast	100	125	120	95
Production				

A company has chosen to execute a level production plan. What is the production rate per period?

- A. 108
- B. 110
- C. 112
- D. 125

Answer: A

Question No : 13

The question below is based on the following information: